

START UP INCUBATORS

SYNOPSIS

This paper is an illustration of incubators as a series of small projects that demonstrate the viability of a Driverless America. The project first raises \$65 million to build a testing grounds on 150 acres located in Colorado. This includes purchasing a site to build an elevated demonstration track with a one-mile operating system. It also includes additional roads and storage facilities for 10 to 15 companies to test ground based driverless vehicles that interact with the elevated system from a two-mile obstacle tract-page 8

The next offering of \$250 million comes from recruiting a Consortia of 5 or 6 tech companies for \$50 million each that offer to joint venture a 236-acre existing fairgrounds with the State the owns it into a national demonstration and sales incubator -see page 10

The third offering of \$1 billion should be offered to the public and begins revenue production with three projects that demonstrate a metro system, a resort town and a downtown core area as economically viable.

CRYPTO OFFERINGS ILLUSTRATIONS

Phase 1 to 4 is for \$25 million buys 250 million shares of a new company @10 cents per share to build three scaled Models

Phase 5 is for \$250 million buys 250 million shares @ \$1.00 per share to form development consortia and a proposed Joint Venture with State of New Mexico to modernize the 100-year-old, 236-acre Fairgrounds into a Driverless innovation campus

Phase 6 is for \$1 Billion buys 250 million shares @ \$4 per share

Beginning of Revenues with three illustrations of urban demos

and testing grounds on 150 acres land

Albuquerque 15-mile Metro Route for 750,000 population

Branson MO 7-mile resort Route for town with 30,000 tourists per day

Downtown Denver 5-mile Route Connecting 25,000 parking spaces with CBD

Phase 7 is for \$2.5 Billion buys 250 million shares @\$10 per share

Builds Interstate-70as a 130-mile Route from Denver CBD to Eagle County airport linking 6 ski areas and 6 towns

Note: This could be as one company or as individual projects, all with the same development consortia

ECONOMIC FEASIBILITY

The four projects illustrated in this incubator show potential returns in excess of 8% ROI in the early years growing to four times that over 30 years for ridership only. These revenues do not include cargo, fiber optics and smart grid. These are not estimates of actual earnings, but studies showing what level of ridership and pricing would be necessary to generate market rate profits and the growth to attract capital. It is too soon for these studies to be offerings. More work is needed. These studies are only intended to describe the magnitude.



A New Funding Idea Using Cryptos Offerings

An illustration: A shown above Issue 1 Billion share Initial Coin Offering (ICO) for Driverless America and grow an initial \$65 Million into a \$250 Million Consortium in 3 years and \$4 Billion in 7 yrs.

Phases 1 to 4 A funder creates an Initial Crypto Offering buying 250 Million shares (125,000 to capital +125,000 to management) for \$25 Million at 10 cents per share for phases 1 to 4 and builds 3 models, buys land, installs test track and one mile operating demo. No revenue is planned.

Phase 5 Illustrates an offering to a Private Development Consortia buying 250 Million shares for \$250 Million at \$1 each. This proposes a Joint Venture to the State of New Mexico to convert their 236 acre worn and little used fairgrounds into an innovation campus focused on Driverless Technology, fiber optics and energy emerging technologies for demonstrations to the Crypto and other financial industries. This proposal spends the \$250 on renovating the Fairgrounds.

Phase 6 Illustrates an Offering to the Public buying 250 Million shares for \$1 billion at \$4 each for phase 6 to build a \$40 million testing grounds for integrating driverless cars with Skyways, then 15 mile metro Albuquerque route for \$250 Million, then 66 million for a University of New Mexico Campus loop, then \$160 million for 60 miles from Belen to Santa Fe, \$150 Million for 7 mile in Branson Missouri, \$100 Million for downtown Denver 5-mile loop and \$340 +/- million unallocated for I-70 engineering, fiber optic and World Stage facilities.

Phase 7 Offering to the public buying 250 Million shares for \$2.5 Billion at \$10 each. This project demonstrates a 150 mph mountain route from downtown Denver 130-miles up Interstate 70 to Eagle County airport. The route eases tourism congestion on I-70 and docks off-line at 12 towns with 7 ski resorts.

Total cost is all projects is about \$4 Billion serving four major cities and 4 million people living within 50 miles of each side of. Eventually another 650 miles can be built from Cheyenne to El Paso along I-25

Crypto Bonds -how could they work

- * Government is owner but is not obligated for repayment
- * Issued by 30 yr partnership with Consortium/developer
- * Projects are the only Collateral as in a typical Industrial Development Bond

- * Bond Terms are: 3.5% interest per year and 30-year Amortization- shares are traded 24/7
- * The surplus is split three ways: Funder gets 50%, Government gets 30%, Developer 20%

Proposed Start Up

The Funder will negotiate to form a Joint Venture or similar structure to acquire, own, develop and or sell Automated Guideway Transport systems (technology) to be known as Smartskyways. In exchange for \$25.3 million in capital to be used over 3 years, The funder will receive 50% of the ownership of the Joint Venture and profits won't be distributed until this capital is paid.

Investment Purposes a Joint venture with one company is to mobilize the company, begin working drawings on the construction, purchase the land, construct a test track, improve the property, and enable management to package, build and market the technology in selected cities shown in the business plan.

1st Payment \$1.3 Million at closing. The funder will agree to the following mission and use of funds for Phase I. This covers the costs for up 12 months' mission to mobilize the company by building a professional team that engineers and builds an operating scaled model. This will include the computer operations of 6 car chassis in designing a 1/10 scale test track inside a warehouse space. Some engineering and full-scale model of a 70' guideway will be included.

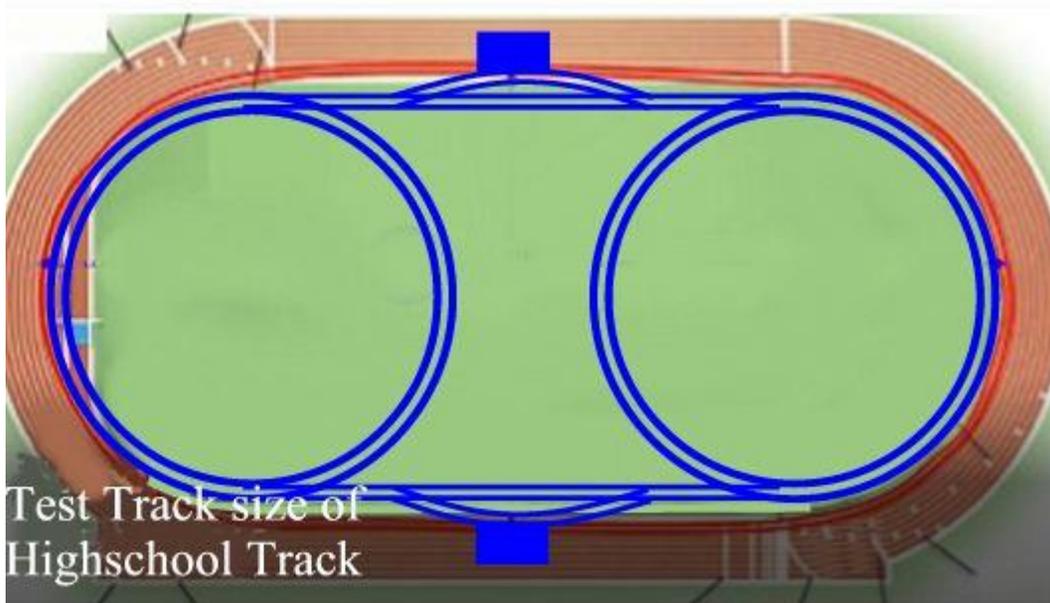
Phase I Lab		
mobilize company as Skyways Lab		\$ 25,000
build hub and streaming VR connections		\$25,000
build 1/10 th scaled model with software		\$100,000
build software lab by testing 3 or more		\$100,000
begin VR beta testing with 5 to 10		\$50,000
engineering for models and test track		\$250,000
full scale mock up on along a guideway		\$250,000
software for test track, media/ streaming VR		\$210,000
Legal LLC, partners, customers		\$102,000
Administration, overhead and Travel		\$190,000
Total Phase I		1,300,000

2nd Payment - \$4 Million. An additional \$4 million within 6 to 12 months is allocated to purchase a site suitable for a test track and a one-mile sales model of the technology. A proposed purchase for part of a 153-acre site in Ft Collins, Colorado site is available. This is the preferred site but not the only possibility. The “Property” was formerly owned by Lloyd Goff. The Property is the former [Fort Collins Airpark](#) and can become an R&D Campus for innovation. The basic terms to be set forth before purchase will provide for land acquisition, operations and working capital. The high appraisal of \$17 million came when the zoning allowing six million s.f. of mixed-use density was approved in 2008. Skyways will offer to buy 52 acres min. If the entire site is purchased could be twice as much.



3rd Payment- \$6 Million This draw is for a ¼ mile test track about the size of a high school ¼ mile running track. This track will test up to 6 chassis for command and control, switching, costs of guideways, length of docking ramps and propulsion. Later this is planned to grow into a hub of operations. Some of the working capital will be used to prepare a detailed “*Project Development Plan*” for city approval. This is a land plan anticipated to include roads, bridges, drainage, labs, and a public finance district.

¼ Mile Test Track



Phase III Budget for 1/4 mile Test Track		
Admin, Staff, legal, CPA, Docs & broker fees	Mobilization	\$400,000
Economic Feasibility Modeling	Mobilization	\$100,000
Civil, soils, alignment and grounds prep	Mobilization	\$200,000
Design Engineering, Construction Bids	Prototype Track	\$1,400,000
Build 1/4 mile Prototype Track	Prototype Track	\$1,200,000
Six Switches	Prototype Track	\$170,000
Automation Command and Control	Prototype Track	\$750,000
Power Distribution	Prototype Track	\$350,000
Stations, maintenance bays, fuel depot, operations, storage access ramps	Prototype Track	\$400,000
Build 10 chassis with propulsion, switches	Prototype Track	\$530,000
Mock up 6 and 15 passenger cabs	Prototype Track	\$350,000
Sales and Multimedia marketing/tools		\$150,000
Test Track		\$6,000,000

4th payment- \$14 Million

When ready, a one-mile sales model will be constructed with improvements learned from the test track. This will include several stations and as many complete vehicles with cabins as the funding will allow. The sales model will be connected to the test track (above) and the area used as a demonstration to market future funding. When the \$40 million is added the parkway will be built on both sides of the Skyways demo as shown in the graphic. A landscaped median will separate the lanes below the Skyways demo. This will require purchasing the remainder of the site



Phase IV a One-mile Sales Model w/Stations		
Technology Engineering and Software	Sales Model	\$1,000,000
Planning	Sales Model	\$250,000
Guideway engineering @ 8% of Construction	Sales Model	\$1,000,200
Concrete Guideway 70' Beams at \$10,000 each x 2	Sales Model	\$1,500,000
Steel Roadbed track	Sales Model	\$528,000
Columns and footings at \$ 8,800	Sales Model	\$660,000
Crossbeams every 70' at \$5,300 each	Sales Model	\$397,400
Shipping to job site at 25 mi	Sales Model	\$187,500
Erection of sections at \$5,000 each	Sales Model	\$375,000
Electric power Distribution	Sales Model	\$1,100,000
Control Systems	Sales Model	\$1,700,000
6 stations	Sales Model	\$1,500,000
Maintenance facilities and shops	Sales Model	\$200,000
Vehicles: assumes 8 chassis + cabins to start	Sales Model	\$250,000
Prototype vehicle cabins	Sales Model	\$1,000,000
Administration Mgmt., legal, CPA, travel, office	Sales Model	\$500,000
Working Capital and Contingency	Sales Model	\$1,850,000
Sales Model		\$13,998,100

Phase 5 New Consortia Capital

During the first-year management will present to the Capital Ownership a plan to expand the Company capital by marketing to a Consortium of companies purchasing up to one half (50%) ownership. Upon agreement and prior to completion of the Colorado project in 3 years, Skyways will proceed to market for Consortia members. This will require dilution by the startup ownership. The plan is to ask for \$250 Million min. Skyways will market a Consortia of Five Targets that are companies capable of contributing \$50 Million each to grow Phase 5 in Albuquerque, NM. As these new funds are paid in, they will increase the value of the original capital investment many times This will become a model for multi \$ billion markets segments. Each member should supply a key component such as: software, engineering, car manufacturing, fiber optics, real estate development, cargo, etc.

Illustration of a Proposed Join Venture with the State of New Mexico

Below is a series of case studies to illustrate feasibility of development. None of the City officials have been contacted or know of these studies

The first project of the Consortia will be to offer the State of New Mexico a Joint Venture for the old worn 236-acre Fairgrounds located in the heart of Albuquerque. Below is a sketch of how this project makes money. There are more than 30 large and small exhibitor buildings that can be leased to the technology companies. There is also the admission fee typically charged for trade shows. Finally, the site will be wired for fiber optic and 5G media capability. This will allow remote sales nationally for the driverless technology. The old racetrack grandstand can be remodeled adding three floors for rental to Crypto, and institutional investors for new routes nationwide, thus fulfilling its role as a national incubator for driverless, fiber and energy tech.

ABQ Fairgrounds						
Revenues		yr 1	yr 15	yr 30	Totals	
leasing 2,000,000 sf	25	50,000,000	86,583,822	155,932,573	2,804,246,888	Leasing
Gate 1,200,000	\$10	12,000,000	20,780,117	37,423,817	673,019,253	Gate
Sales \$1 Billion	5%	50,000,000	86,583,822	155,932,573	2,804,246,888	Sales fee
		112,000,000	193,947,762	349,288,963	6,281,513,028	Gross
					0	
Expenses at \$60%		67,200,000	116,368,657	209,573,378	3,768,907,817	Expenses
30 yr AM on \$250		8,333,333	8,333,333	8,333,333	249,999,990	Principle
Interest at 3%		7,500,000	4,000,000	250,000	116,350,000	Interest
Total Costs		83,033,333	128,701,990	218,156,711	4,135,257,807	
Cash Flow		28,966,667	65,245,772	131,132,252	2,146,255,221	Cash Flow
funders 50% of surplus		14,483,334	32,622,886	65,566,126	1,073,127,611	funders 50%
Funder surplus ROI		5.8%	13.0%	26.2%	14%	average p/y

Existing Uses



Phase 5 Builds Albuquerque Incubator

FAIRGROUNDS CONVERSION

The purpose of this Project is to create a national sales and exhibition center for driverless, fiber and energy technologies.

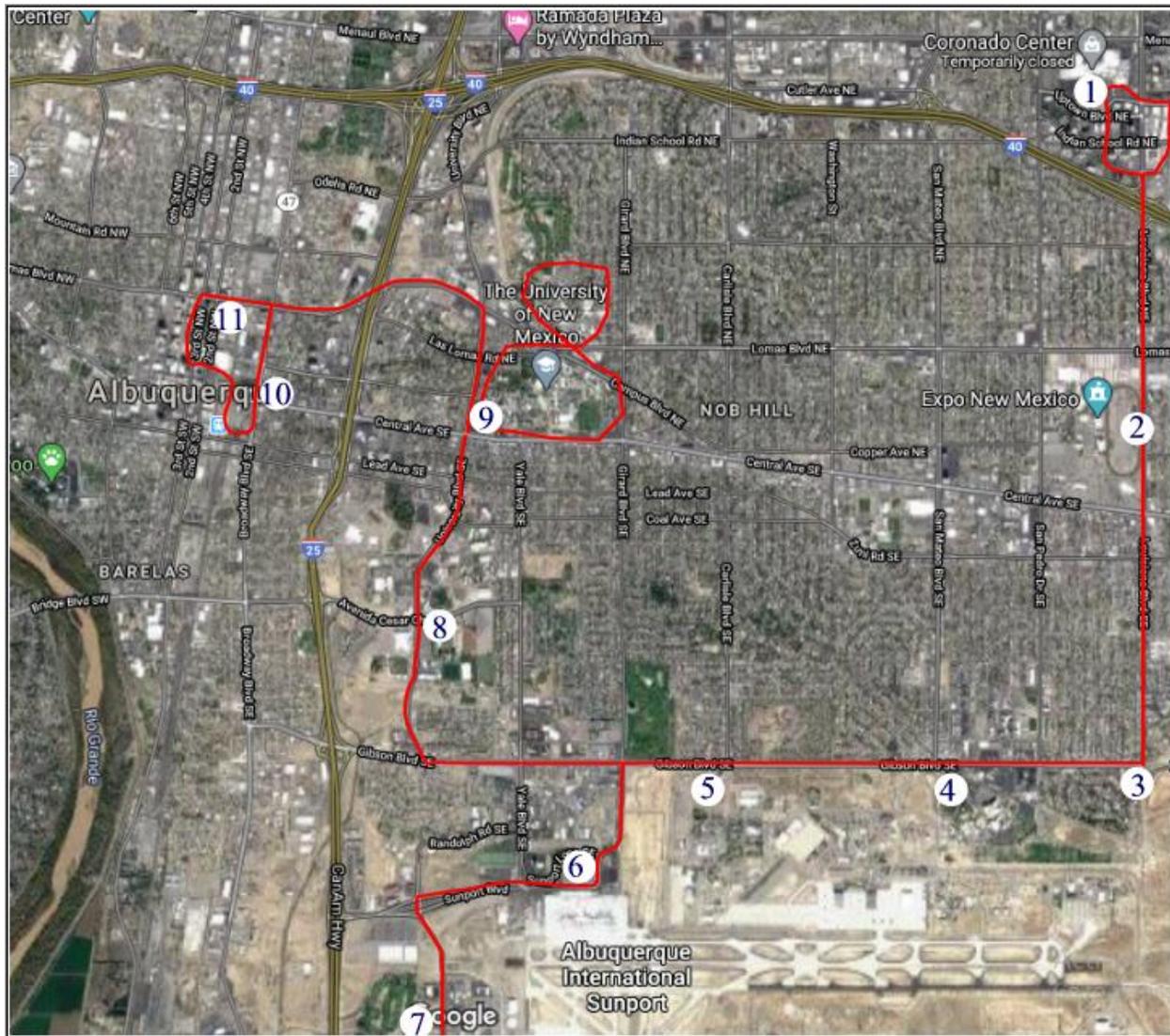
Barns -There are 20 horse barns north of the Racetrack that can be used to exhibit elevated driverless systems

Race Track (brown) one mile horse track paved with a Skyways demo above it.



- (R) Grandstands** can add three levels of Crypto Sales spaces for 250 offices with food court on 1st Floor
- Trade Mart**- This is a big multipurpose space for technology shows
- Hotel Complex**- Large and small hotels with restaurants
- Plaza**-An outdoor space for gatherings and food tables
- (P) Pavilions**- There are more than 40 large and small buildings that can be converted from agriculture to tech display
- Coliseum**- This building seats 12,000 is used for sporting, political, entertainment
- Mall-(green)** This is a connector at grade driverless and walking path east and west
- Parking- (Blue)** These areas park visitors that don't arrive by car and not Skyways
- (C) Casino**- The is an existing horse track betting casino and is not a part of the site.
- (E) Entry**- There are 5 car entry's and one Skyways (S) Station on the east side
- Rodeo**- The building seats hundreds and can be used for technology competitions
- (PP) - Pavilions Promenade** a driverless tree lined corridor linking pavilions

Phase 6 (a) Illustrations of Revenue for Operating Systems Albuquerque [15-mile Metro Route](#)



This is an example of a small metro area route and the first of several projects would complete a metro backbone network. It can densify over time to include expansion to the west side. The route shown is the core area of the city with about 90% of the large activity centers such as the malls, State Fair Grounds, Sandia Labs, Kirkland, Sunport, the University of New Mexico and the Central Business District. Special Districts comprised of landowners in these areas would fund these local ground based distribution systems such as driverless cars, Trolleys, bus, carts and trams that collect and feed the stations. They will be small systems of a mile or so. In addition to the funding all being provided by private investors, an Economic Development boom of some \$ billions of dollars should be generated at the selected station stops. An example of this would be a new aerospace industry served by station 6 at Kirkland Airbase. Economic development from this 15-mile route would create

thousands of jobs for decades and increase the municipal tax base of and state government. It would reduce the congestion of major arterials, reduce the local pollution and provide an alternative to owning or using a car. By the time the first 15 miles could be built, gas pricing may exceed \$5 per gallon and this project may well be a solution to problems caused by oil's economic disruption.

The major station stops starting at top right are:

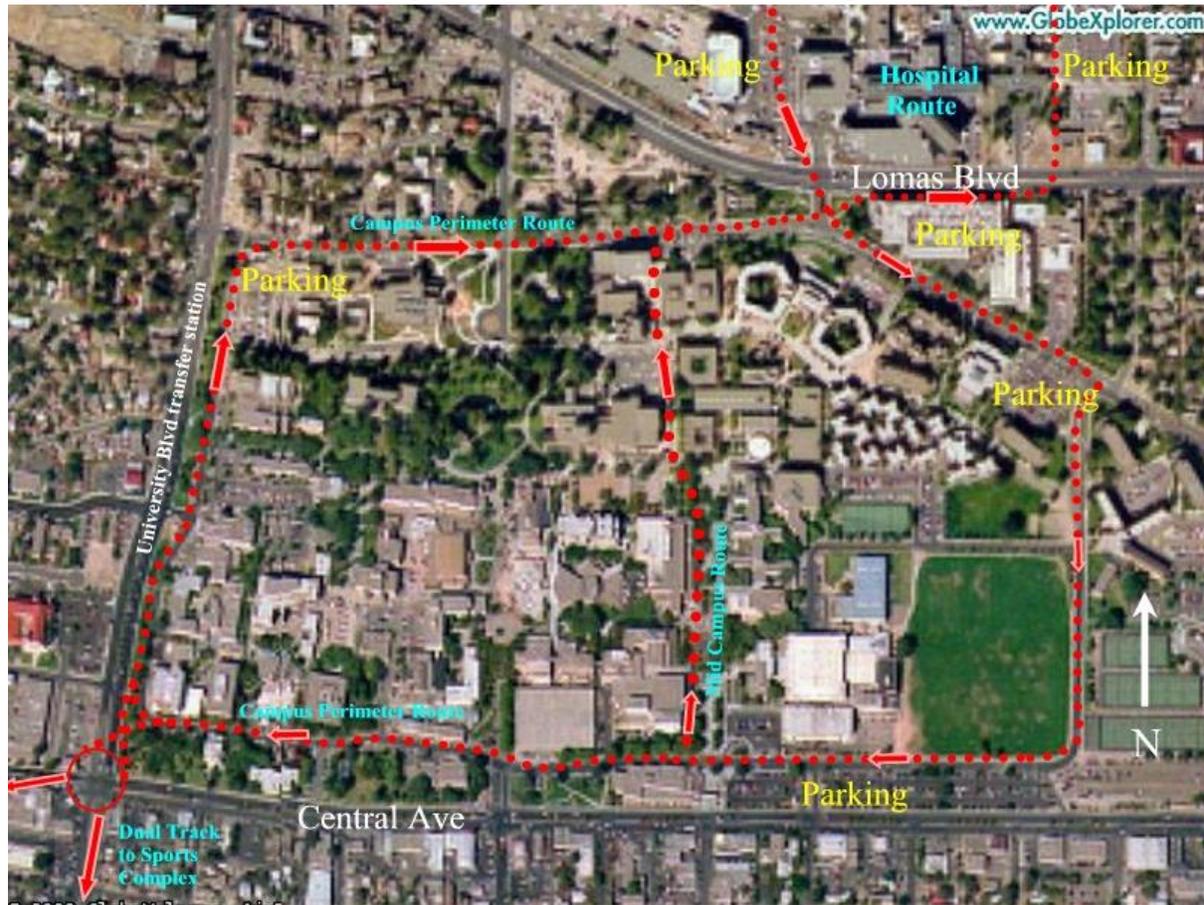
1. the shopping district with two malls
2. Fairgrounds Driverless Sales Center
3. Sandia Labs with 8,000 employment
4. A hospital District VA and Lovelace medical with 3500 employment
5. Kirkland Airbase with 30,000 employment
6. Albuquerque Sunport 3,000 employment + 15,000 passengers per day
7. Spur to Mesa Del Sol a new town for 100,000 population
8. University Sports Complex with 40,000 football, 20,000 basketball, tennis, and baseball
9. University of New Mexico 600-acre campus with 26,000 students
10. Travel center with train station to Santa Fe
11. Downtown with 10,000 employment and 3,000 residents

Albuquerque Cash Flow Proforma for a 15 Mile Metro Route

\$231 million Installation plus \$19 million contingency fund

	year 1	year 30	Totals	Category
Revenues:				
(unlimited daily ridership per ticket)				
Local Monthly Subscribers at \$90 p/m	25,000	27,000,000	63,627,269	\$1,284,536,224 Local Monthly Subscribers
Student Monthly Subscribers at \$30 p/m	12,000	4,320,000	10,180,363	\$205,525,796 Student Monthly Subscribers
Visitor Daily tickets at \$5 per day	6,000	10,950,000	25,804,392	\$520,950,802 Tourist daily tickets
Events Sports, fairgrounds & night life \$2	6,000	10,950,000	25,804,392	\$520,950,802
Sunport Daily at \$3 trip	5,000	5,475,000	12,902,196	\$260,475,401 Local Daily Tickets
Mesa del Sol riders \$3 trip subsidy	500	547,500	31,522,561	\$238,022,968 Mesa del Sol
Total daily traffic	54,000			Total Weekday traffic
Total Traffic per week	378,000			
Annual Revenues	59,242,500	169,841,173	\$3,030,461,993	
Costs and expenses:				
Operating & Maint Costs @ 25%	17,772,750	50,952,352	\$909,138,598	Operating Costs @ 30%
less Upgrade/Replacement @ 4%	2,369,700	6,793,647	\$121,218,480	less Upgrade/Replacement @
less reserves at 3%	1,777,275	5,095,235	\$90,913,860	less Licence royalty at 3.5%
Total Costs and Expenses	21,919,725	62,841,234	\$1,121,270,937	Total Costs and Expenses
Net Operating Income (Before debt)	37,322,775	106,999,939	\$1,909,191,055	Net Operating Income
less 30 AM reduction on \$250 Mil	8,333,333	8,333,333	249,999,990	Principal reduction
less 3.0% interest	7,599,999	249,997	116,349,956	Interest
Cash Flow	21,389,443	106,999,939	\$1,598,091,089	Cash Flow
Surplus to Funder at 50%	10,694,722	53,499,970	\$45,456,930	Surplus Funders 50%
Return on Funders \$250 Million	4.28%	21.40%	11%	Funder ROI average

UNM Campus 4-mile Local Loop As parking lots are used for more new buildings, UNM will need better connections to the sports complex parking and to move students around a huge campus pedestrian environment on the main and hospital campuses. For \$25 p/m, student fee can have unlimited use of the local circulator and this system becomes self-supporting. The 6.6-mile single lane systems can link the sports arena, main campus and hospital campus with each other.

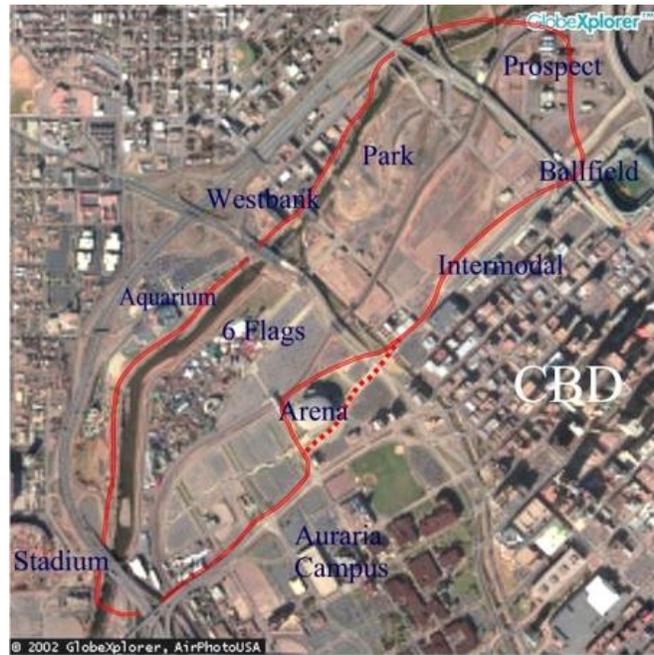


Attainable Cash Flow Proforma for a 5.5 Mile UNM Campus Circulator Construction Costs \$66,000,000 Single lane

	year 1	year 5	year 15	year 30	Totals	Category
Revenues: \$25 p/mo fee (unlimited ridership))						Revenues:
Student/Staff Subscription: 25,000 x \$30 x 10 mos	7,500	9,029	14,708	30,577	493,617	Student subscriptions over 30 yrs
Daily Visitors 3000 x \$2 x 300days	1,200	1,445	2,353	4,892	78,979	Daily Visitors
Event visitors 2,000 x \$2 x 75 days	300	361	588	1,223	19,745	Event Visitors
Total Revenues from (6) Weekdays Traffic	9,000	10,835	17,650	36,692	592,341	Total Weekday traffic
Other Revenues - Sunday traffic at 5%	450	542	882	1,835	29,617	Weekend traffic at 5%
Total Revenues	9,450	11,377	18,532	38,527	621,958	Total Revenues (000)
Costs and expenses:						0 Costs and expenses:
Admin, Operating & Maint Costs @ 25%	2,363	2,844	4,633	9,632	155,489	Operating Costs @ 30%
less Upgrade & Replacement @ 3%	284	341	556	1,156	18,659	Replacements @ 3%
Reserves @ 3%	284	341	556	1,156	18,659	Reserves @ 3
Total Costs and Expenses	2,930	3,527	5,745	11,943	192,807	Total Costs and Expenses
Net Operating Income	6,521	7,850	12,787	26,584	429,151	30 Years Net Operating Income
30 year amortization	2,200	2,200	2,200	2,200	66,000	Principal reduction
Interest	1,980	1,716	1,056	66	30,690	30 years interest
Cash Flow	2,341	3,934	10,587	24,384	352,261	Cash Flow over 30 years
Funders 50% of surplus	1,170	1,967	5,294	12,192	176,130	Funders 50% of Surplus
ROI	1.8	3.0	8.0	18.5	8.90	aver ROI over 30 years

Phase 6 (b) Downtown Denver 5-mile Route

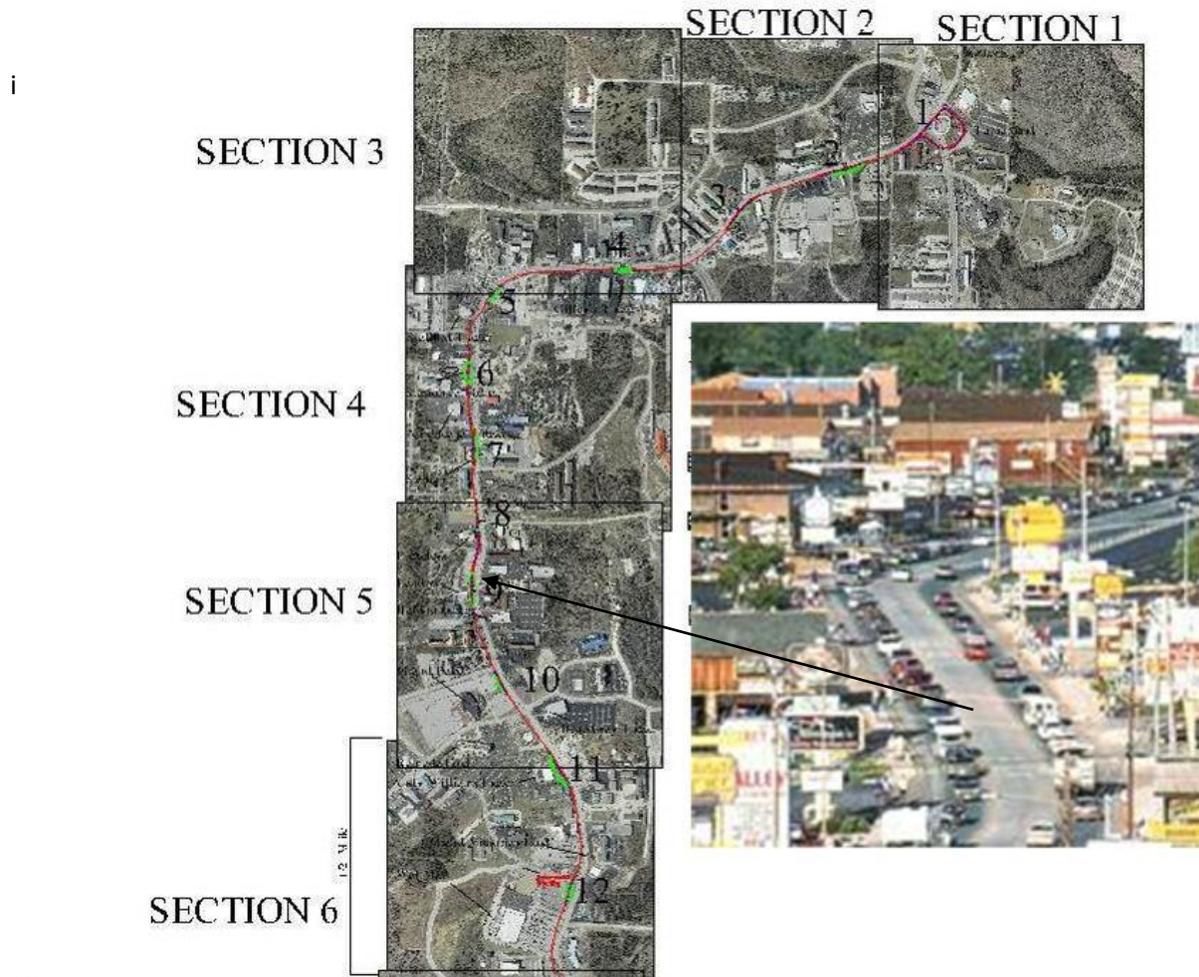
This is an example of a core area system connecting 25,000 parking spaces with CBD. This route links all the entertainment venues into a downtown parking reservoir of 30,000 parking spaces that are mostly empty during the day. If these spaces are linked to downtown and priced lower, then the potential for ridership is increased. Downtown has 110,000 employment base and 182,000 daily visitors nearly 60% arrive by car. But there are only 48,241 parking space downtown which have become expensive. . Development costs are estimated at \$100 million including a \$8 Million contingency reserve. Ridership assumptions are 22,000 per day (from 12,000 CBD parkers + 3,000 RTD transfers + tourists and visitors) and pricing from \$1 per day for unlimited use and parking from \$3 per day. Over 25 years the gross revenues grow from \$14 million per year to \$47 million per year from 3.5% increase in ridership and pricing. Meantime the \$88million fixed costs needs only \$19 million for upgrades replacements. Using these assumptions, the return is calculated at 20% per year ave over 25 years before taxes.



Attainable Cash Flow Proforma for a 5 Mile Platte Valley Circulator Franchise funded Privately \$88,400,000 + 11,600,000 contingency

	year 1	year 30	Totals	Category
Revenues: (\$ for ave dailey pass)	\$1.00	\$2.71		Revenues: (\$ for ave dailey pass)
CBD Subscriptions Riders 12,000 x \$1 x 300 days	3,600,000	14,676,963	236,936,233	Day Workers that drive
\$1 share of parking revenues 12,000 x \$1 x 300days	3,600,000	14,676,963	236,936,233	Parking for Day Workers
Riders from RTD 5,000 x .50c x 300days	750,000	3,057,701	49,361,715	Commuters RTD
Event visitors 3,000 x \$2 x 100 days	600,000	2,446,161	39,489,372	Event Visitors Nights
\$1.50 share of event parkg 2,000 x \$5 x 100 days	1,000,000	4,076,934	65,815,620	Parking for Events
Hotel tourists 1,000 x \$3 x 300 days	900,000	4,784,539	69,826,851	Hotel tourists
Business Visitors 2,000 x \$3 x 300 days	1,800,000	7,338,482	118,468,117	Business Visitors
\$1 Parking for Business Visitors 1,500 x \$3 x 300 days	1,350,000	4,210,179	75,714,666	Parking for Business Visitors
Residential Subscriptions 3,500 x \$1 x 300 days	1,277,500	5,258,363	84,875,628	Residents
Total Revenues from Weekdays (6) Traffic	14,877,500	60,526,286	977,424,436	Total Weekday traffic
Other Revenues - Sunday traffic at 5%	743,875	3,026,314	48,871,222	Weekend traffic at 12.5%
Total Revenues	15,621,375	63,552,600	1,026,295,658	Total Revenues (000)
Costs and expenses:				30 yrs of Costs and expenses:
Admin, Operating & Maint Costs @ 25%	3,905,344	15,888,150	256,573,915	Operating Costs @ 25%
ess Upgrade & Replacement @ 3%	468,641	1,906,578	30,788,870	Replacement
Reserves at 3%	468,641	1,906,578	30,788,870	Reserves
Total Costs and Expenses	4,842,626	19,701,306	318,151,654	Total Costs and Expenses
Net Operating Income	10,778,749	43,851,294	708,144,004	Net Income
30 year Amortization	3,333,333	3,333,333	99,999,990	Principle reductions
3% Int 100 million	3,000,000	100,000	46,500,000	Interest
Cash Flow	4,445,416	40,417,961	561,644,014	Optional Interest and Amortization
ROI	4.4%	40.4%	146,499,990	Cash Flow

Phase 6 (c) Branson Missouri- Branson's Highway 76 is a very tight corridor to put anything else into. It has only one lane of traffic in each direction with a turning lane in the middle as shown to the right. The sidewalks are narrow and will have to be widened in order to support more pedestrian traffic. The columns will disrupt traffic if they are put into the street. As they are only 50 feet apart, it would be difficult for cars and fire engines to turn from the center lane. It makes more sense to put them on the sidewalk. But the sidewalks are where most of Branson's utilities are located. Which side gets them will be an issue because at 18 feet high they will block some of the signage that was built for cars. About 30 signs will have to be moved as a part of the project. And over 100 telephone and power and streetlight poles will need to be moved. How the other side of the street gets access to the AGT traffic will also become an issue. Pedestrians crossing the street will be a problem and at stations traffic lights will be needed. Much work will have to be done with the property owners to get them to agree. The users will include a large percentage of elderly who need elevators to access the elevated boarding areas. This is included in the costs. There should be a 12' wide sidewalk directly below the guideway for the pedestrian traffic between stations. This can be enhanced with kiosks, seating, landscaping, water fountains, signage and even street vendors. It will need many new curb cuts and parking spaces.



Initial Route Layout

A 6.6-mile route from east downtown convention center to the west end of the theater district along Highway 76 is what the city needs as shown above. It will provide Skyways access to the majority of theaters, amusements, malls, some hotels and restaurants serving the Branson tourism industry. But many hotels are located on another route south of Highways 76. Open-air trams serving as a collector distributor to the Skyways loop at each end, can serve this route. The majority if not all tourists will spend the night at a hotel and that is where we get them out of their cars and turn them into pedestrians using our Skyways for local circulation. Hotels can issue a boarding card paid for as a part of the room at \$5.00 per day per person for unlimited ridership. As a comparable, the new Las Vegas Monorail will charge \$10 per day for unlimited ridership. If needed, theaters, amusements, retail and restaurants can pay their share with an equivalent sales tax added on to the price of their service. Over the 6 miles route, 15 stations would be 3 per mile. This would require a maximum walk of 1300 feet to a station. But some business owners may prefer to have stations come right into their buildings. We can accommodate this, if they pay for the extra ramp footage and docks. There are so many attractions along the route that more stations may be desirable. A station could be across the street. This will mean some ramps may have to cross the street and leave an occasional column footprint in the turning lane. Such locations will be tricky but can be done. This will require a lot of individual negotiating with the city and land owners

Branson Cash Flow Proforma for a 6.6 Mile Local Loop as a \$132 million route + \$19 Mil Contingency

	year 1	year 30	Totals	Category
Revenues: ave daily pass		7	\$16.50	\$333.03 Ave daily pass
Daily Tourist Ridership	10,000	10,000	23,566	475,754 Daily Riders
Daily Revenues (unlimited rides at \$5 pd)		70,000	388,738	\$5,622,532.30 Revenues per day
Employees at \$1.00p/d	1,000	1,000	4,116	\$66,438.85 Employees
Local Residents at \$.50 p/d	500	750	3,087	\$49,829.14 Local Residents
Total daily traffic	11,500			
Daily Revenues		81,757	419,523	\$6,214,887.47 Weekly Revenues
Annual Revenues		29,841,305	153,126,062	1,583,339,862 30 yrs of Cumulative Revenue
Costs and expenses:				Costs and expenses:
Operating & Maint Costs @ 25%	7,460,326	38,281,515	567,108,482	Operating Costs @ 25%
less Upgrade/Replacement @ 4%	1,193,652	6,125,042	90,737,357	Replacement
less reserves at 3%	895,239	4,593,782	68,053,018	Reserves
Total Costs and Expenses	8,653,978	44,406,558	459,168,560	Total Costs and Expenses
Net Operating Income	21,187,327	108,719,504	1,124,171,302	Net Operating Income
Principle reduction	5,000,000	5,000,000	150,000,000	
3% interest	4,500,000	150,000	76,500,000	
Cash Flow	11,687,327	103,569,504	897,671,302	Cash Flow
funder Surplus at 50%	5,843,663	51,784,752	448,835,651	Funders 50% of surplus
Return On investment	3.90%	34.52%	15.38%	average ROI over 30 yrs

Phase 4 Research and Testing Grounds \$40 million

This is a 66-city block site that I used to own for 6 years and got it zoned and master planned for 6 million s.f. of mixed uses as an R&D Campus. It might be partially acquired for 4 million as discussed above and possibly fully acquired for more. The test track site is in the blue area on the lower right. The funding will pay for three entrances, a one-mile parkway with the Skyways demon on top of it as shown in the picture above. The red line is for a ground-based obstacle course for driverless vehicles. A 25 acre fairgrounds to the north of the parkway is envisioned for temporary shops and other driverless activity. The \$40 million shown below could be put up by a Metro District which was applied for in 2007 but not completed due to the financial crisis.



30 Driverless companies will be invited to share Testing Grounds



\$40 Million Budget

One Mile Parkway	\$16,000,000
Three entrances	\$ 2,000,000
Flood Channel	\$ 2,500,000
Fencing entire site	\$ 500,000
30 Driverless Shops	\$ 1,000,000
More land purchases	\$ 3,000,000
Obstacle course (red)	\$ 2,000,000
Sewer main	\$ 3,000,000
Terminal Video hub	\$ 1,000,000
Lighting site	\$ 2,000,000
Energy Lab	\$ 3,000,000
Reserves	\$ 4,000,000

Purposes of the project is to advance the state of the art through research and testing, find partners and breakeven financially. Long term an R&D Campus is envisioned. The elevated test track is the dotted yellow line in the middle. Overtime three labs and shops are planned inside the track area.

Phase 7 An illustration of [a 130-Mile Route](#) on Interstate 70



This is a congested route Mountain route with over 55,000 cars per day each way with average 2.5 passengers per car. It is snowy with steep hills and curves but currently only 2 lanes per direction. The feasibility sketch below shows what 45,000 ridership would do at \$50 round trip for tourist and \$30 for locals. This is only about 18% of the daily trip capacity of 120,000 ridership per direction for 10 hours per day. And over 30 years prices will probably quadruple instead of the 4% increase per year used in this sketch. Many other revenues were not included such as cargo (mostly a night time use) fiber optic media, and a smart grid. This stacked pay zone concept could generate a return on investment from 50 to 100% in the later years. It is far too complex to project all the different kinds of trips and revenues at this time, but these very limited assumptions show a 16% average return from ridership alone is possible. The entire proforma showing each of the 30 years ridership and pricing is available upon request.

I-70 Cash Flow Proforma			
Category		SUMMARY	
REVENUES		yr-1	Totals
23%	Tourist ridership (\$50*10,000 p/dx4%p)	182,500	10,235,501
77%	LOCAL ridership (\$30 ave x 35,000p)	383,250	21,494,552
	Cargo	Not included	0
	Advertising	Not included	0
GROSS REVENUES		565,750	31,730,054
Costs and Expenses:			Costs and expenses:
	Operating Costs @ 25%	141,438	5,179,143
	Replacement at 3%	16,973	621,497
	Reserves at 1.5%	8,213	300,743
Total Costs & Expenses		166,623	6,101,382
Net Income		399,127	14,615,188
Debt Amortized 30 years		86,666	2,599,980
	less interest at 3%	75,400	1,132,575
Cash Flow		237,061	10,882,633
Surplus to Funder at 50%		118,531	9,326,229
Funder ROI		5.90	16.92
			ave p/y



USA Market Size: <https://pitchbook.com/news/articles/uber-v-waymo-in-28-trillion-battle-for-robo-taxis>

These systems are designed for maximum ridership up to 10,000 per hour depending on car size, speed and spacing. After that, level they begin to get congested. Ridership forecast numbers use reasonable assumptions. These numbers are illustrations of opportunity and not forecasts. It is too early for more comprehensive evaluations. Pricing compares to existing transport options. After a 3% interest and 30-year amortization payments there will be surpluses on all routes which is divided among the parties. And the surplus grows because of a fixed cost against both price and ridership increases each year for 30 years.

Economic Studies

Why Skyways makes money: Because it has no drivers which is 2/3 of the cost of most transit and because it is a very low cost electric power system that generates its own power instead of buying it. These studies show reasonable assumptions for the revenues from ridership and pricing in each case. Over 30 years the return on Invested capital can grow to the 30% per year range. The table below shows examples of ridership and pricing for metro areas, office parks, resorts, parks, downtowns and cross-country routes. These systems start at \$100 Million for a n office park size and grow to billions for cross-country sizes.

Where	type	miles	Cost	Cash Flow	% Pop	1 st -ROI	30 th ROI
Albuquerque	metro	15	\$250 M	\$21.4 M	1%	4.3%	21.4%
Univ of New Mexico	Campus	5.5	66 M	\$1.4 M	80%	2.1%	18.6%
Branson	resort	6.6	\$150 M	\$4.4 M	30%	3.9%	34.5%
Denver Tech Center	Office Park	5.5	\$100 M	-\$2.0 M	27%	-16%	49.6%
Denver	CBD core	5	\$100 M	\$4.4 M	35%	4.4%	40.4%
Colorado I-70	mountain	130	\$2,500 M	\$237 M	1%	5.9%	28.9%

Example of Cumulative revenue growth as systems begin operations

Driverless Economics	year1	year2	year3	year4	year5	year6	year7	year8	year9	year10
Fair Grounds	28,966	31,008	33,122	35,310	37,537	39,922	42,352	44,870	47,478	50,181
ABQ Metro		21,389	22,900	24,352	25,847	27,888	28,977	30,617	32,312	34,064
University NM			1,411	1,611	1,868	2,139	2,423	2,721	3,034	3,362
Denver				4,445	4,985	5,643	6,328	7,043	7,789	8,566
Branson					11,687	13,042	14,458	15,969	17,549	19,214
I-70						237,061	255,636	273,060	294,738	315,306
Cash Flow over 10 years	28,966	52,397	57,433	65,718	81,924	325,695	350,174	374,280	402,900	430,693
Capital Invested in Mil	250000	500000	566000	666000	816000	3,316,000	3,316,000	3,316,000	3,316,000	3,316,000
Funders 50% of Surplus	\$14,483	\$26,199	\$28,717	\$32,859	\$40,962	\$162,848	\$175,087	\$187,140	\$201,450	\$215,347
Funders 3% Interest	7,500	\$15,000	\$16,980	\$19,980	\$24,480	\$99,480	\$99,480	\$99,480	\$99,480	\$99,480
Funders Total	21,983	41,199	45,697	52,839	65,442	262,328	274,567	286,620	300,930	314,827
Funders ROI	8.8%	8.2%	8.1%	7.9%	8.0%	7.9%	8.3%	8.6%	9.1%	9.5%

- * Breakeven is less than 25% capacity yielding no surplus, but paying the interest + amortizing.
- * Expected over first 15 years is 40% capacity yielding a 15% or better return
- * Attainable is 66% capacity yielding a 30% or better return in crowded markets
- * Inflation factor is 3.5% compounded over 30 years
- * This is all very complicated and needs much more analysis to determine profits

Cargo

None of these calculations include the “Stacked Pay Zones “Concept because the research on cargo, fiber and energy has not been done yet. Cargo will probably use up all the spare capacity of the



systems that moving people does not use. The GM driverless cargo platform is shown here. This will increase the revenues significantly. The cost for these other functions has been included in the estimates. However, it appears feasible that including these three revenue streams could double the returns. The issue is not if, but when these milestones will arrive.

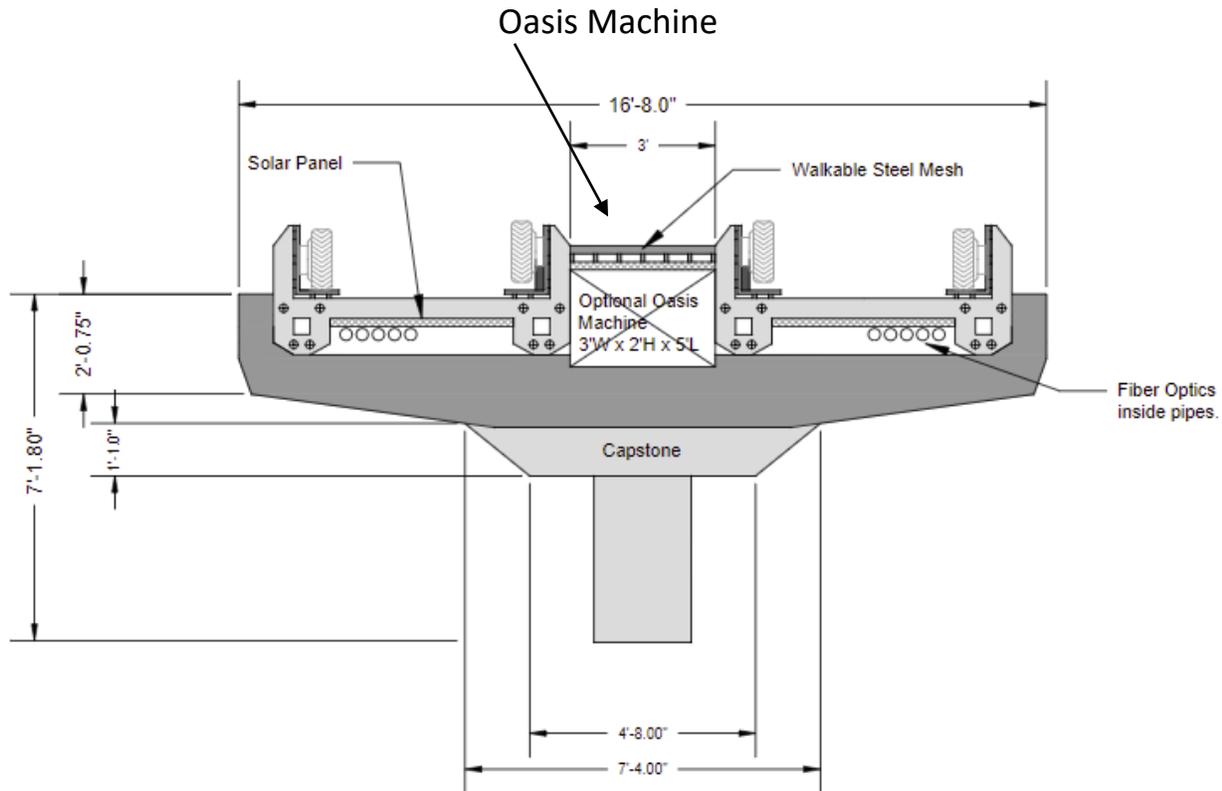
The higher returns could come within 10 years in crowded markets or not until the end of 20 years in small markets. The ridership and cargo can be priced to attract the capacities needed in the early years and then gradually raise prices to control congestion capacity.

Fiber-Optics - These are located beneath the guideway in 3” pipes. They will create an entire new industry of jobs starting with a showcase in the Albuquerque Fairgrounds. By broadcasting all activity live in virtual reality and 5G distribution. With this kind of media over our fiber optics, Skyways will earn sizable additional revenues. It is possible that these revenues will be big and may even surpass the ridership revenues. Gradually extensions of Skyways routes throughout America could pass by 200 million people living within 50 miles of Skyways routes. With a market of this size, millions of people could learn to publish virtual reality in sports, medical, banking, investments, real estate, education, entertainment, engineering, planning and government approvals. VR will become a huge industry. The fiber also is planned to carry all existing forms of media.

[Oasis-Machines](#)

These are planned as additional power for operating a Smartgrid. The operating power requirements for Skyways is currently estimated at 1000 watts per 70’ section or 1KW. We can get the power needed to start the process from 2 or 3 solar panels. Some of this power could be used to split hydrogen and oxygen from water and then use these gases to run piston driven electric generators like the kind sold at Lowes. The R&D for this technology was done by Kent Bingham who was formerly Disney’s chief engineer for EPOCT. Before he died his testing shows 6 times the output is generated more than the input, but with problems that have not been resolved yet. An

example would 2 or 3 solar panel generating 600 watts could be used to electrolyze water with a result of perhaps 6,000 watts generated for distribution: 1000 watts to run Skyways, 3000 wats



To operate Atmospheric Water Generators that capture 20,000 gallons of water vapor per day from the sky. Over one mile this is 150,000 gallons per day. This is enough water to run 9 food farms of 50 acres each using a pivot sprinkler system. This is one square mile of food production for every mile of a cross country routes. The remaining 2000 watts is put into a Smart Grid and sold off. This technology is scalable both bigger and smaller. You can see why Skyways wants to continue this research and incorporate Oasis Machines into our projects when the technology is ready.

Economic Impacts

Transportation is known to have a stimulating effect on jobs, the neighborhoods around the stations and the new tax base created. In America the US Chamber of Commerce, says “for every dollar spent on transportation, it ripples throughout the community eight times in new local resident spending”. There is also less money spent on car ownership making more money available for rents and home purchasing. It will also change the urban landscape with less parking and increased urban density. Cities will become more walkable. In urban areas stations are ½ mile apart. So, a ¼ mile radius around stations contains 5.4 million s.f. of land. This is equivalent to 5400 condos with 1,000 s.f. each. By stacking them in 5 story building approximately with 12

units per floor would result in only 90 buildings with parking on the outer limits and lots of open space for a pedestrian campus. The stations would be only 10 minutes away by walking at most.

Conclusions

These projects illustrate this technology is a money maker with many sources of revenues. Driverless America is an example of sustainable investing in shared infrastructure. It also stimulates economic development around the stations. These routes can be funded by the Crypto industry bringing the Crypto Industry a new form of stable investment with millions of transaction revenues. The states will share 30% of the surplus profits for 30 years and then start getting 100% of the net Operating Income AFTER THAT. This will amount to a very large amount of money for all involved. A business plan and more information is available upon request.